App F IX 4

Previous References

1955 Sb
(Cm)

File No 89 55

Serial Nos 1, 2, 3 4

Later References

GENERAL AND REVENUE SECRETARIAT

Serial Nos 4

P-14
E

Part B for May 1956

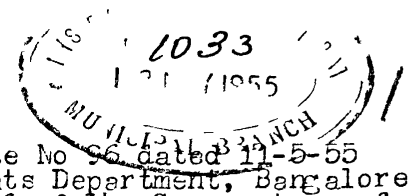
SUBJECT

Irregularities in closing accounts at the end of the year by the Corporation

L 2H 40 5 5 56

The Commissioner C C P
(Through the Mayor)

Cm 89 55-1



Extract of Un-official Note No 96 dated 11-5-55 from the Controller, State Accounts Department, Bangalore, on the Budget Estimate for 1955-56 of the Corporation of the City of Bangalore

(1) "The Corporation of the City of Bangalore have adopted an Opening Balance of Rs 4,58,200 under Revenue Head for the year 1955-56 as against Rs 1,11,980/- which was the estimated closing balance of the year 1954-55, as per Government Order No L 12740-6/CM 11-54-8 dated 19-1-1955, sanctioning the Budget Estimate of the Corporation (as revised) for 1954-55 The Auditor of the Corporation has brought to my notice that he could not ascertain the actual Closing Balance of the year 1954-55 as the account books of the Corporation (Cash Books etc ,) for that year had not been closed even at the end of April 1955 and that the collections from 1-4-1955 onwards were being booked against the previous year in spite of a special letter addressed by him to the Commissioner of the Corporation bringing to his notice this serious irregularity and requesting him to close the accounts immediately In the absence of any information as to the actual closing balance for the year 1954-55, the Opening blance adopted by the Corporation for 1955-56 has been accepted tentatively, in order to balance the Budget It is highly irregular on the part of Corporation to have kept open the accounts of the year 1954-55 even after the 31-3-55 and to have credited the collections of the current official year in the accounts of the last year The Corporation may be directed to invariably close the accounts books at or before the midnight of the last day of the year at least in future, and to avoid such grave irregularities in the accounts "

(2) This reveals the serious state of affairs that is existing in Bangalore Corporation It is needless to say that the irregularities, in not closing the accounts of last day of 1954-55 for over one month, are so serious as to

1033/one

Irregularity in Closing accounts - Corporation at the end of the year

21

demand explanation of the concerned officers responsible Fu ther it is stated by the Controller that the taxes were collected throughout April 1955 and adjusted to March 1955 As a result of these irregularities, the Corporation Auditor has reported that he was unable to know the Closing Balance of 1954-55 In the Revenue Department, the collection of every month will be received till 25th of that month and monthly accounts will be closed on the last day of the month Similar procedure has to be brought into effect in Bangalore Corporation For orders whether instructions may be issued accordingly

OFFICE OF THE MINISTER FOR PUBLIC HEALTH LOCAL SELF GOVERNMENT
16 MAY
No 947

3) It is also for orders whether the explanation may be obtained from the concerned officers who are responsible in not closing the Treasury accounts on the last day of the month and in continuing the Treasury Accounts during April 1955 Until and unless some serious action is taken against the officials who are responsible for these matters may not improve The Corporation officials seem to think that the Corporation is supreme authority and that Government cannot exercise any control over them at all The Controller State this state

Addl Secy phoned to me yesterday evening & brought to be brought 12/5

I affirm to my notice with a suggestion that this may be brought to the notice of the Secretary Revenue Dept

2451
13 MAY
GOVT

4) For information please

Secretary & the Commissioner Bangalore must be immediately requested by the Commissioner A report will be called for

Minister 13/5/55

23/5/55

26/5/55

26 MAY

Irregularities in clerks accounts ch to and Fld
Town Municipal Corporation

Mysore Government Secretariat | 1033/Mis File No 4011 of 195 | [App F III 2

Serial No

6) Draft letter as put up
9/6
Ms 10/6

7) Put up typed draft
Corrs

8 Typed draft letter is put up for kind appl
15/6 Ms 15/6

9)
23/6

Secy (Edn & Lab)

10) For perusal & necessary
25/6/55

28 JUL 1955

U.O. No. 3722 F

11)
28/6

For Jt Secy

12) Yrone
27/6/55

Corporation
The ~~Chairman~~ Commissioner E.C.B
(The Mayor)
3733/Cm-89-55-2
6.7.55

Clk to submit

From
The Comr E.C.B letter no B12 PR 505-1/55-56 dated 7th Sept 1955 forwarding report in the matter.

NOTE—Contn sheet

Irregularities in closing accounts – Corporation at the end of the year

1033 File No 4011/one of 195

Mysore Government Secretariat

Serial No

13) For perusal and orders regarding to para 4 Supra

8/12

4 the Commissioner says that strict instructions are issued to the concerned officers to discontinue the old procedure, so that the accounts may be closed on the last day of the month of the official year in future. He enquires whether the this may be closed now as requested by the Commr

Ms 10/12/55 Here issue instructions to close the Accts with next month matters As the accts have to be closed and annual figures furnished the Accountant General has issued instructions to close the accts of the month as it stands on 25th of the last month of the year. Or some other procedure should be insisted upon. Is see that the Treasury closes on the last date the auditor of the Corpn may take action not to antidate a bill that is brought for payment after March. It is better to obtain the advice of the Controller as to the method to be adopted to prevent the continuance of the transactions after the close of the month

19/12

16) Forwarded unofficially to the Controller State Accts Dept Bloc for favour of advice re the procedure to be adopted in the matter of strict enforcement of closing of the Treasury on the last day of the year

19/12/55

Manmohan Rao
for Secy Edn & Dev Dept

XXX Mbo 29/12/55
Cell No 2 55
20-12-55
U.O. 106
26-12-55

WD 07071—GFL—50 CCC—5-10-54

4011/ml

U O No 849 /C S A Dated 15-3-1956

Ref - U O No 255 dated 20-12-1955

With a view to strictly enforce the closure of the Treasury accounts on the last day of the year, the Commissioner, Corporation of the City of Bangalore, may be directed by Government to see that the cash book (of the cashier and also of the Accountant) is closed on the last working day of the official year, before the office closes and the total amount collected on that date is also recorded He may also be directed to intimate the Auditor the fact of having closed the cash book and also the total amount receipted in the cash book as on the last date of the official year Regarding the collections by cheques, the total amount may be shown under cheque suspense pending realisation later

2 With regard to payments also, the Commissioner should see that cheques are issued before the close of the official year in respect of all the bills which have been passed for payment by the Corporation Auditor and a like certificate furnished to the Auditor The Auditor should close his accounts at the end of the official year and strike the totals in his audit registers for all the bills passed so far and submit a statement of such totals to the Controller on the same day

3 Suitable instructions in the matter may be issued by Government to the Commissioner as early as possible so that the Commissioner may have sufficient time to take necessary steps to close his accounts promptly on 31-3-56, at the end of the current year

(H Ramaraj Urs)
Controller,
State Accounts Department,
Bangalore

The Secretary to Government,
Edn & L S.G Departments,
Bangalore

ms/3

Irregularities in closing accounts of Corporation at the end of financial year 40 11/mc

20) Subd for orders with reference to paras (4)(5)(15) and Enclosure

24/3/56.

21) The Hon'ble Minister orders whether the instructions may be issued to the Commissioner, C C B, as suggested by the Controller S A D in para 17 & 18 of the note on the reverse of the letter No. 27/3 dated 21st Sept a letter according

18/4

23) Subd with a draft letter for orders with reference to para above

13/4 No. 16/4

24) Draft letters for hon'ble personal staff (Secy (Com) & Dy Secy) before issue

18/4

798

25)

18/4/56

Minister (Secy)

26)

28/4/56

4/5/56

315

OFFICE OF THE MINISTER FOR PUBLIC HEALTH AND SOCIAL SELF GOVERNMENT
23 APR
No 340(c)

27) The approved draft will issue now

4/5

28) Done M. 4/5

1 MAY 1956

L 2170/55 Cm 29-3-4 25-5-56

Comm C.B. Issues certain instructions in the matter of L 2170/55 Accordingly Controller SAD informed

B

28/4/56

DRAFT

No L 3731 / Cm 89 55 2

To

The Commissioner,
Corporation of the City of Bangalore
thro' the Mayor

Sir,

Subject Extract from the un-official note No 96 dated 11-5-1955 from the Controller, S A D on the Budget Estimates of the Corporation for 1955-56

- -

I am directed to state that the Corporation have adopted an opening balance of Rs 4,58,200/- under Revenue head for the year 1955-56 as against Rs 1,11,980/- which was the estimated closing balance for the year 1954-55 as per Govt order No L 12740-6/CM 11 54-8 dated 19-1-55 ~~sanctioning the budget of the Corporation (as revised) for 1954-55~~ It is also reported that the actual closing balance for the year 1954-55 could not be ascertained as the account books (cash books etc ,) for that year had not been closed even at the end of April 1955 and that the collections from 1-4-1955 onwards were being booked against the previous year inspite of a special letter addressed to you by the Auditor of the Corporation bringing to notice this serious irregularity and requesting you to close the accounts immediately

It is highly irregular to have kept open the accounts of the year 1954-55 even after the 31-3-1955 and to have credited the collections of the current official year in the accounts of the last year Necessary action must have been taken to set right these irregularities ~~by you.~~ Why such a procedure was allowed and who was responsible for this may kindly be reported ~~within three days positively~~

Yours faithfully,

Secretary to Government,
Education & L S G Departments

PTO

Irregularities in closing accounts of Corporation at the end of financial year

40 11/mc

20) Subd for orders with reference to paras (4)(5)(15) ~~and~~ Supra

le 24/3/56.

21) The Hon'ble orders whether the instructions may be issued to the Commissioner, C C B, as suggested by the Controller S A D, in para 17 & 18 of / of overleaf

Ms 27/3 22) Dft a letter accordingly

18/4

23) Subd with a draft letter for orders with refee to para above

le 13/4 Ms 16/4

24) Dft letters for hon'ble perusal & sign before issue

18/4

Secy (Com'l Dept) 25)

798

18/4/56

Minister (Com)

OFFICE OF THE MINISTER FOR PUBLIC HEALTH AND SOCIAL SELF GOVERNMENT
2 J APR
No 340(c)

26) 28/4/56

27) The approved draft will issue now

4/5

28) Done M. 4/5

L. 21420/ ~~55~~ dt 29-3-56 & 3-5-56 Comm C.B. Issuing certain instructions in the matter

L 21421/ Secondary Controller SAD for information

1 MAY 1956

B 4/5/56 Ms

DRAFT

No L 3731 / Cm 89 55.2

To

The Commissioner,
Corporation of the City of Bangalore
thro' the Mayor

Sir,

Subject Extract from the un-official note No 96 dated 11-5-1955 from the Controller, S A D on the Budget Estimates of the Corporation for 1955-56

- -

I am directed to state that the Corporation have adopted an opening balance of Rs 4,58,200/- under Revenue head for the year 1955-56 as against Rs 1,11,980/- which was the estimated closing balance for the year 1954-55 as per Govt order No L 12740-6/CM 11 54-8 dated 19-1-55 ~~sanctioning the budget of the Corporation (as revised) for 1954-55~~ It is also reported that the actual closing balance for the year 1954-55 could not be ascertained, as the account books (cash books etc ,) for that year had not been closed even at the end of April 1955 and that the collections from 1-4-1955 onwards were being booked against the previous year inspite of a special letter addressed to you by the Auditor of the Corporation bringing to notice this serious irregularity and requesting you to close the accounts immediately

It is highly irregular to have kept open the accounts of the year 1954-55 even after the 31-3-1955 and ~~thank~~ have credited the collections of the current official year in the accounts of the last year Necessary action must have been taken to set right these irregularities ~~by you.~~ Why such a procedure was allowed and who was responsible for this may kindly be reported ~~within three days max positively.~~

Yours faithfully,

Secretary to Government,
Education & L S G Departments

PTO

23/5

Memo No L 3732/CM 89-55-2. 6/7/55

Copy of the above is forwarded to the Controller, S A D with reference to his U O No 96 dated 11-5-55

for Secretary to Government,
Education & L S G Departments

knr/draft/14 6

Memo No. L. 3732/CM 89-55-2 dt 6/7/55

Copy of the above is forwarded to the Controller, State Accounts Department, with reference to his U O No 96 dated 11-5-1955.

(V.Hanumanthappa)
For Secretary to Government,
Education & L S G Departments.

CM 89-55-3

CORPORATION OF THE CITY OF BANGALORE

No B.12.P.R.505/55-56. CORPORATION OFFICES,
BANGALORE

Dated 31st August 1955.
7th Sept

FROM
D. R CHENNARUDRAIYA, B.A., M.Sc.,
COMMISSIONER,
CORPORATION OF THE CITY OF BANGALORE,
BANGALORE

The Secretary to the Government of Mysore
Education & L.S.G. Departments,
BANGALORE.

Subject:- Extract from the Un-official Note No.96 dated 11-5-1955 from the Controller, State Accounts Department, on the Budget Estimates of the Corporation for 1955-56.

With reference to your Letter No.L.3731/C.M.89-55-2 dated 6-7-1955 regarding the above subject, I write to state that - the procedure of keeping open the Accounts of March after the last day of the month for a few days, is in vogue for several years past and accordingly the same procedure was followed in regard to the Accounts for the year 1954-55.

2, However, strict instructions are issued to the concerned Officers to discontinue this old procedure for setting right these irregularities so that the accounts may be closed on the last day of the month of the official year in future. The matter may be kindly treated as closed.

Yours faithfully,

(V.P Deenadayalu Naidu)
MAYOR.

(D. R. Chennarudraiya)
COMMISSIONER.

kr.

Appendix F G —1]

SUBJECT Extract from the unofficial note No 96 dated 11-5-55 from the Controller, S A D on the Budget Estimates of the Corporation for 1955-56,

Diary No of letter replied to 4011/mel

Section CT

File No 89-55

Serial No 4

Mysore Government Secretariat

( )

the *195*

No L 24170 Dt 5-5-56

To

The Comr, c c B Bangalore

Date of issue

Signed by

Sir

With reference to the correspondence ending with your letter B/2 PR 505/5556 dated 31/7/56 on the above subject, I am directed to state that with a view to strictly enforce the closure of the Treasury Accounts on the last day of the year, it is considered very necessary that the cash book of the cashier and also the Accountant is closed on the last working day of the official year, before the office closes and the total amount collected

List of enclosures

Copied by

Examined by

WD 0257—GPB—P Z S —1 20 000—6-6 55

P.T.O.

collected on that date is also recorded, the fact of having closed the cash book and also the total amount receipted in the cash book as on the last date of the official year, being intimated to the Auditor of Co-op Bs immediately, and regarding the collections by cheques, the total amount may be shown under cheque suspense pending realisation later

As regards payments also, it may should be seen that Cheques are issued before the close of the official year in respect of all the bills which have been passed for payments by the Corporation Auditor and a like certificate furnished to the Auditor, and the Auditor should close his accounts at the end of the official year and strike the Totals in his audit registers for all the bills passed so far and submit a statement of such totals to the Controller SAD on the same day

I am to request you kindly to ~~issue suitable instructions to your subordinate staff in the matter~~ concerned, see that steps are taken ~~and to take necessary steps~~ to close the accounts of the Corporation promptly on the 31st ~~of~~ March of ~~the~~

~~If~~ ~~year~~ every official year henceforwards as suggested above ~~so that the irregularities noticed may be avoided in future~~

Yrs

Dy
Yr Secy to Govt
Edn & Cy Affrs
Ms

No L 2491-72 13/4 05-5-86

cc/to Controller S&AD for information with reference to his no note no 849/C&A dt 15/6/56 in the matter

Auditor cc B

Asst Secy
Ms

[illegible]